



# Criminal liability of managers and employees of gas companies in light of judicial process

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## ABSTRACT

Thinking of loss prevention before occurrence and administrative strategies is not hidden from law perspective, and responsibility of loss compensation due to contracts and intentional or unintentional actions is defined by judicial position. Today, technology improvements on one hand, and more complex crimes on the other caused acceptance of criminal liability of legal individuals in most legal systems. In law of Iran, the legislator imposes punishments on legal individuals sporadically. Most developed countries had accepted criminal liability of individuals; but this is considered as one of the fundamental challenges in criminal law of Iran. This matter has a notable importance in field of managers and personnel of gas companies; since most of related crimes might commit by these individuals. In this regard, the current research studies criminal liability of directors and employees of gas companies in light of judicial process. We can consider criminal liability as the best way to assure doing tasks by managers and personnel of gas companies. This type of responsibility is based on business law frameworks differentiating it from civil law fundamentally. Also, developing trade activities of legal individuals indicates existence of such tasks for them and their representatives simultaneously. The current research is conducted in analytical method.

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## 1. Introduction

Thinking of loss prevention before occurrence and administrative strategies is not hidden from law perspective, and responsibility of loss compensation due to contracts and intentional or unintentional actions is defined by judicial position. Today, technology improvements on one hand, and more complex crimes on the other caused acceptance of criminal liability of legal individuals in most legal systems. In law of Iran, the legislator imposes punishments on legal individuals sporadically. Most developed countries had accepted criminal liability of individuals; but this is considered as one of the fundamental challenges in criminal law of Iran. This matter has a notable importance in field of managers and personnel of gas companies; since most of related crimes might commit by these individuals.

The principle of covering loss compensation for affected person is always constant and under pursue of courts. In criminal law of Iran, there are several civil, criminal, administrative, and ethical rules and regulations defined for legal individuals or perpetrators based on Islam religion.

With a glance at historical process of criminal law, we can find out that issue of people's responsibility had been always proposes in different local and time periods despite qualitative and quantitative differences; of course, criminal liability of people and their limits against interactions had a more humanistic balance and symmetry appropriate with logical and cultural development of society, enjoying from findings and data of several sciences and also attention to necessity of establishing regular systematic structure in area of criminal law. today a p[erson is responsible who has mental ability to recognize and differentiate matters, besides uses free will to commit action; in this regard, ' a person is not responsible criminally just because of committing a forbidden action and/or not doing legal duties; but he/she must be also

punishable ethically... thus, the attitude and responsibility toward human as an ethical factor led to the idea that punishment is possible just if the person selected committing the crime'.

## Research questions

Responsibility is responding to violations of a person against his/her tasks and duties, and the responsible is who 'has an obligation to do; otherwise he/she would be questioned'. But the main discussion is the necessity to compensate losses imposed against another rights, and this is one of the absolute legal principles under consideration of lawyers. Any loss or damage realized by another's action whether intentional or unintentional- though very light- must be compensated by wrongdoer person; this act is the cruelty performed though doer is not intended to damage. Criminal liability is different from civil liability when an element called 'will' is under attention; here, criminal liability differentiates itself from civil liability. Discussion of criminal liability of state managers and personnel is serious and important because government is one of obvious examples of legal person; thus, legal person must be identified first. It is notable that these concepts and most legal ones have no regular definition since they have not objective natures; of course, it is possible and useful to define and describe their colloquial implications, in particular because concept of 'actual person' has two applications: it is sometimes used to indicate particular personality, capacity, and competency of a person; otherwise, it is used to indicate capacity and competency of inhuman subjects and the difference between their personality independence and that of actual persons (human). It is believed that criminal liability of state managers and personnel is confirmed due to 2 aspects: first, because it is of legal obvious examples which indicate there is no reason to except government. In addition, reasons of people who deny state criminal; liability cannot create any problem in accepting state criminal liability. So government is also responsible for committed crimes. Natural

persons must be responsible for criminal consequences of their acts, though the punishment might be different but this has no impact on nature of state criminal liability. Nevertheless, different interpretations of lawyers from law lead to different votes in similar cases. In 2013, the new Islamic penal code was finally approved after 17 years. This law is administrative and obligatory in public and private punishments both, particularly it had several innovations in public penalty; but, these innovations typically have some ambiguities that most lawyers and jurists are currently facing with. According to opinions of some lawyers, the part related to confines and retaliation in the new Islamic penal code has some misunderstanding in scientific, judicial, religious terms and also human rights. Some experts of criminal law believe that: 'this law is performed generally. In some cases, it might have different interpretations by lawyers, so that precedent votes of Supreme Court can be influential in establishing procedure unit among courts.

According to article 43 of non-litigious law, if prosecutor of the Supreme Court is aware of articles of non-litigious law which are important and effective, he must request opinion of general board of the Supreme Court and also inform ministry of justice; courts are obliged to behave based on mentioned opinion. In this case, vote of general board is not binding for Supreme Court itself, and just courts are obliged to follow it. The votes issued in general assembly of the court, whether urged or binding are called precedent and differentiate procedures. In 1952, a law was approved and performed by legislative assembly which was highly important; according to this law 'whenever there are different opinions about similar cases in branches of supreme court then general board of supreme court (in this case, at least half of directors and consultants of supreme court) is formed at request of minister of justice, president of the Supreme Court and/or general attorney. They review subject of dispute and make their comments about it. Therefore, the majority of mentioned board is binding for branches of Supreme Court and for courts themselves. It will not change unless under terms of general board or law.

#### Research background

According to basic and classic principles of modern criminal law, since human 'individuals' commit punishable intentional or unintentional acts based on mental interactions happening in their mind, basically criminal liability also observes 'natural' individuals and 'legal' individuals that people commit acts on their behalf are free from criminal liability unless in exceptional cases. In fact, though some steps are put forward in several legal systems of the world toward criminal liability of legal persons through applying specific punishments for them, however this is an exception for 'principle of individual criminal liability; 'human individuals' or 'natural persons' are typically and always responsible for committed crimes.

Accordingly, identifying 'blood money' as the penalty for unintentional crimes committed against 'right of living' and 'physical integrity' of individuals naturally leads to this punishment for 'natural persons' who committed these crimes. According to above sayings, in case of 'Fokker plane crash' in 1994 belonging to Aseman airways, the special general court of Isfahan condemned '... 4 of defendants to 60 items of 'blood money' mentioned in articles 297,300, and 302 of Islamic penal code'. In the approved vote, it clarifies that 'paying blood money is in charge of sentenced person within 2 years'.

Also eight branch of Tehran appeal court has been appointed due to the letter No.392 in file board: 'according to article 294 of Islamic penal code approved in 1992, blood money is a property which is given to avengers of blood due to killing a human being or damage to the body. Therefore, blood money is payable when a murder or damage to the body is occurred and it requires an action on behalf of perpetrator intentionally or unintentionally; these actions are performed by natural person... and negligence and fault is not expected from legal person. Basically, demanding blood

money from legal person is payable; due to article 295 section 3 of Islamic penal code, in cases that a murder or battery is happened as a result of recklessness, lack of skill, and the non-compliance with related regulations, there always an actual person is responsible for accident because of not complying with regulations, incaution, and lack of skill...'

Accordingly, branch No.14 of Tehran appeal court approved sentencing of defendants due to letter No.182 issued by Tehran criminal court. According to this ruling, Habib-Allah, Seyed Naser, Khosrow and Majid as directors of water and sewage companies and also mayor of district 5 were sentenced to pay blood money due to their natural personality because of manslaughter of late Hamidreza and unintentional injury to the motorcycle rider who was fallen in the hole dogged-out by mentioned companies.

By the same token, branch 23 of Tehran appeal court confirmed letter No.80022 dated 1/8/2006 issued by branch 1060 of Tehran criminal court; the court condemned Mr. Ebrahim as director of southwest Tehran water company and Mr. Shahrddad as director of 'Delta gas' company to pay blood money as a result of manslaughter of late Bahman, the welder workman who died because of pipe explosion during piping operations.

Abdol-Allah Khodabakhshi states in 'judicial process to invalidate auctions' that lawyers of courts must interpret rules and regulations in handling claims and disputes based on their deduction to pronounce its result as judgment. In this regard, there is no difference between lower and supreme courts. Lawyers of supreme courts also interpret and implement rules based on their interpretation.

#### Responsibility of commander and officer to implement rule of law

Order of legal commander not only removes criminal fault of officer, but also removes damages during implementation order of legal commander. If an officer commits a crime with illegal order of legal commander (despite his/her reluctance), then he/she will be condemned to penalty; thus, if officer performs illegal order intentional or unintentional, he/she is deputing him/herself. Also, the actions committed with rule of law and to perform a task are free from civil liability such as breaking door of a house to save its residents who are in danger of fire. Generally, if base of an act is permissible and doer commits no fault, he/she is not responsible for loss. In this regard, article 332 of Islamic penal code appoints that whenever it is proved that military or disciplinary officer had shot up in order of legal commander without violating the rules, and then he/she will not be answerable for victim's blood.

#### Principles of criminal liability

Criminal liability is a basic principle in criminal law system. It is not of principles of crime; since it is proposed just in a condition when all principles of a crime are realized before. In this respect, criminal liability is the result and effect of integrating mentioned principles in a person who has ability of tolerating results and consequences of criminal behavior. Criminalization and applying penalty is not extremely good itself; but it is a tool in service of society and a mechanism to prevent, punish and reform the criminals. Such a mechanism is performed just about a criminal who committed crime intentionally. Thus, the assumption of liability is depended on predicting criminal capacity to rule of law. In fact, intentional act- beside awareness- is necessary requisite for attention to criminal liability.

Criminal liability is a complicated issue of criminal law; since it is necessary requisite, i.e. criminal capacity is a complicated issue. By the same token, today psychological and clinical studies are conducted using modern expert tools, and criminal liability framework- unlike in the past- is not limited to legal statements and judicial implications.

#### Definition of criminal liability

Discussion of criminal liability is one of the most fundamental legal issues. Term criminal liability is composed of two 'criminal' and 'liability' words. In dictionaries, liability means accountability

of human; it is defined usually as task, duty and what an individual is responsible for. In other words, liability means 'to question human about the matters and actions he/she has done'. It is defined in Dictionary of Moien as: 'liability is imitative source which means being responsible and charged to do an order'.

There is not such an agreement in definition of criminal liability; nevertheless, we can put sum of definitions proposed by lawyers into 3 categories below:

1. Criminal liability means 'capability' or 'capacity' of a person tolerating consequences of his/her criminal behavior.
2. Criminal liability means to 'require' or 'impose' criminal consequences of a person's behavior on him/herself.
3. 'Obligation' or a person 'being forced' to tolerate consequences of his/her criminal behavior is called 'criminal liability'.

Despite their variety, the mentioned definitions express a unit nature for criminal liability. Though it seems that definition 3 would be more comprehensive; this definition observes actual and real concept of responsibility. In fact, imposing punishment and its tolerance capability against criminal behavior forms two consequent levels of actual and potential liability.

#### **Difference between criminal and civil liabilities**

Article1. Any person who damages to life, health, freedom, prestige, or business reputation of anybody else intentionally or unintentionally without legal certificate, then he/she is responsible to compensate loss caused by his/her action (approved in 1963).

- 1) According to this article, most lawyers believe that legal and juridical principles of 'loss' are not transformed, but liability without fault is expressed in civil law; so exception is on common principle. In fact, it is assigned to common rule. In this article, liability is based on fault.
- 2) From term 'intentionally', we understand criminal liability; so it is also necessary to study differences between civil and criminal liabilities:
  - Criminal liability is created when criminal act is predicted in the law as crime, but in civil liability just infliction of damage- even if it is not considered in law as crime- causes considering loss compensation. However, range of civil liability is more expansive than criminal liability.
  - Goal of civil liability is just loss compensation for a person who is victim, and it has nothing to do with other people of society; but goal of criminal liability is not just a person rather except punishment of criminal, it relates to providing order, security, and justice in society.
  - Also territory of civil liability and criminal liability is different. In some actions, criminal liability exists but civil liability does not exist (e.g. spying); in contrast, civil liability exists in some actions while criminal one does not exist (e.g. breaking neighbor's window unintentionally).

Civil liability might be preceded by criminal order or not; so that loss compensation is sometimes along with/without punishment. They are different in terms of goal and measure criterion : the criterion to measure civil liability is amount of loss; while in criminal liability, it is based on severity of 'fault' or 'mistake' of defendant in violating common obligatory principle. Goal of criminal liability is to protect benefits of society, while goal of civil liability is to support benefits of victim (injured party).

Criminal liability refers to committing a crime which is emphasized in the law; in this type of liability, perpetrator must have will and intention of liability, i.e. the causality relation must exist between committed crime and loss. In addition to legal penalty, the liable person must compensate the loss. Civil liability refers to commitment and obligation of a person to compensate damage inflicted to another. Whenever a person is responsible for loss compensation, we say that he/she has 'civil liability'.

There are some important differences between civil and criminal liabilities as below:

1. In criminal liability, the loss and damage is mostly related to society, while it refers to a specific individual in civil liability.

In civil liability, victim should demand his/her losses from perpetrator since committed crime does not violate public order of society. So in criminal liability, the responsibility against individuals is same as responsibility against society.

2. Goal of criminal liability is to punish the wrongdoer in order to defend society, protect of order, compensate public damage and reform other people; but goal of civil liability is to compensate loss of injured party.
3. Some crimes such as vagrancy and beggary are not included in civil liability, since they do not create damage for others. Contrary, any loss compensation that causes civil liability is not necessarily crime and cause of criminal liability such as hyper-possession of an owner in his/her property causing losses for neighbors.
4. Availability of bad intention, criminal intent and/or criminal fault on behalf of perpetrator is necessary to prove criminal liability in all intentional or unintentional crimes; while in legal terms, taking civil liability needs not to prove bad intention of wrongdoer rather it refers to faults causing civil liability that are typically originated from incaution, carelessness, or lack of skill of public systems. Also in some cases, rule of law necessities someone for loss compensation without any fault committed.
5. Taking criminal fault requires review criminal personality deeply, and criminal justice necessitates attention to personal feature and specific mental aspects of criminal determining type and amount of penalty. While in civil liability, the fault base is not capability of assigning action to perpetrator but it is enough to compare the subject with behavior of a common person.
6. The detection, prosecution and investigation levels of criminal issues are already followed by court officials and advanced in public criminal courts with indictment issuance by general attorney; but civil issues are first proposed in public legal court.

#### **Criminal liability of legal persons due to general principles of criminal law**

According to theory of 'lack of criminal liability of legal persons', we cannot consider them as responsible because of reasons below:

- First: 'availability of a common positive or negative factor-act or omission- which is known by law as crime is not enough for authentication of criminal guilt, besides it also needs a spiritual element, i.e. the criminal having intent mentally (intentional crimes) and/or making a mistake (unintentional crimes) that causes criminal liability. It is obvious that mental element depends on direct will that is found just in wise, mature and autonomous human. Therefore, just natural persons are capable of criminal liability and legal persons have not such features; as a result, we cannot assign crime commitment to them'.
- Second: the penalties predicted in criminal law (e.g. execution, imprisonment and ...) are particularly for natural persons, most of these penalties cannot be implemented for legal persons.

In response to this theory, it is said that spectrum of penalties is vast. It is true that we cannot execute rules related to natural persons for legal ones, but it is possible to vote for dissolution of institute or its temporary recession instead of execution and imprisonment, respectively.

- Third: accepting criminal liability for legal persons will damage to principle of penalties being personal. It means that if persons inside a legal unit commit a crime, they must be under prosecution themselves and not their assumptive community. While in case of punishing a natural person, all individuals inside that institute or firm will be punished. Opponents believe that in execution of penalties, there are always some innocent persons who suffer loss and damage but penalty execution against legal persons does not violate

the principle of penalty being personal, since this situation is also true for natural persons.

- Fourth: though human being ids called 'person' based on commitment and rights he/she has, but anybody who stands against criminal law is a human, not a person. Therefore, the purpose of 'anybody or person' in criminal laws is human being, not a legal person; even when law deposes some people from their personality again it is 'human' who will be punished. So there is no clear legal text about penalty of legal persons. Thus, penalty execution of these people encounters with principle of 'penalties being legal'.

In contrast, advocates of criminal liability for legal persons believe that although social goals of penalty are particularly for natural persons, but implementing security measures which has a semi-criminal and semi- civil feature can protect society and also be a barrier against recommitting crime.

- Fifth: one of the most important goals of punishment is to warn criminal and reform his/her situation. While penalties such as temporary recession of a firm or implementing financial penalties about these persons leads not to this goal; thus, their punishment and reform has no meaning. In addition, legal persons have no understanding and they do not feel the possible pain and suffer caused by punishment.

#### **Criminal liability of legal persons in laws of other countries**

##### ➤ **Italy**

In law of Rome, it was accepted that legal persons are not able to commit crime; this was expressed as 'societas delingvere nonposttest'. It means that societies and legal persons cannot commit crime but criminal liability of legal persons is accepted in current criminal law of Latin countries such as Italy itself. For example, article 197 of Italian criminal law appoints 'civil liability of legal persons –individuals who have legal personality- except government, provinces and cities: if their agent or personnel commit any crime and/or it has any relation with criminal act, then he/she is forced would pay for the penalty if perpetrator has not financial capability to pay for penalty'.

##### ➤ **USA**

In criminal law of USA, large industrial and trade companies had achieved an excellent importance and penetration due to more complex social life. Thus, criminal liability of legal persons has been accepted times ago.

For example, we refer to a part of an American court which indicates cognition of USA criminal law about criminal liability of legal persons: the vote of court mainly express that ' a firm could be realized responsible- in criminal terms- because of its incaution, carelessness, or failure to perform duties unless punishment is exclusively composed of imprisonment or execution.'

##### ➤ **Other countries**

Until 1992, French legislator was not interested in accepting criminal liability for legal persons; but with emphasize of legal doctrine and increasing development of legal persons in the society, finally French law accepted criminal liability of legal persons due to article 121-2 of modern criminal law. On one hand, it is based on criminal liability of legal persons and on the other hand, it is limited items predicted in law and regulation; but again with emphasize of lawyers, finally French regulator removed the term 'items predicted by law or regulation' from article 121-2 due to adjustment performed in March 2, 2004 and considered legal persons alike natural ones. According to this adjustment and a French criminal law, now legal persons can commit all crimes which legal persons are able to do.

Also Dutch law perceives communities and legal persons – as an irrefrangible group- responsible in terms of committing crimes.

#### **Criminal liabilities of managers and directors**

Whenever managers or directors inflict any loss to third parties when performing their duties, they will not responsible for loss of firm if it is performed in range of authorities; thus, for example in case of not paying taxes on time, firm must pay losses caused by

delay and tax penalties. Then, it can demand the penalties from wrongdoer manager/director.

In the world, criminal and legal liability of managers of firms is a common issue. Nevertheless, punishment in several laws is considered as penalty for manager and firm and/or recession of firm. For example in case of selling products more than their real prices, offenders must pay cash fines and/or firms which smuggle products will be recessed.

In contrast to available traditional vision, business law is basically different from civil law. The differentiation of these two branches of law science is a structural and natural difference. One of differences is availability of criminal enforcement guarantee in business law. In civil law, enforcements are just affaires such as lack of penetration, loss and recession of contracts. Also in civil liability, enforcements are based on real loss compensation. But in contrast, business law has a strong link with criminal law. Thus, business law puts criminal liability on behalf of natural or legal person as a result of contractual and non-contractual commitments; and it refers to 'liability' in absolute term as civil and criminal liabilities both unless there would be another symmetry against it.

One of the items in business law referred to criminal liability is article 17 of business law approved in 1971. It is appointed below this article that: 'to accept a position suggests itself that manager and inspector have taken responsibility knowing duties and tasks of their job.

Term 'responsibility' includes two civil and criminal types both due to reasons below:

1. This word is used in absolute terms and has no other symmetry based on its refuse to civil liability.
2. Since business law had accepted criminal law in most cases, so accepting criminal liability in this article is not against soul of business law.
3. The process of capital flow and necessity to create enforcements with high deterrence power forces legislator to recognize criminal liability for managers and inspectors of firm.
4. If we assume firm managers without criminal liability, this lack also transmits to field of legal businessmen, while in other legal systems(e.g. England) the legal person is responsible for his/her crime committed. Legal system of Iran recognized this type of responsibility for legal persons- though later- but since 2010 it approved computer crimes Act (article 19 and 20) for legal persons. The section below article 20 of this law states that: ' the penalty referred to this article is not executed for public and/or private legal persons'. Based on concept contrary to this section, the public legal or non-public persons who commit a crime, they will be recognized for criminal liability.
5. Currently, accepting criminal liability of legal persons has not a coherent process in courts of Iran. When applying penalties for legal persons, courts mostly attend to their representatives. When giving a complaint against a commercial firm, it is not possible to confront with legal personality of firm alone; but names of their representatives must be mentioned as defendant. This is because legal personality is recognized as responsible but the person who must be punished is his/her representative as a legal personality. Now, a question arises: is it possible to punish a legal person without considering his/her legal representative in law of Iran similar to England? The answer is that in some cases we are inevitable to perceive legal personality as criminal authority alone.

Generally, the way of applying punishments about legal persons is similar to applying penalty for natural persons; because according to article 588 of business law, natural and legal persons both have similar duties; criminal and civil liability are among these duties. Financial penalties or punishments applying in order to decrease social and political benefits are among punishments implementable on legal and natural persons both. But some penalties change

toward nature of legal personality; like 'execution' penalty that changes to judicial recession and issuing bankruptcy by the court.

#### **Principle of managers' crimes being personal**

If a crime is committed, the principle of being personal necessitates punishment of perpetrator. For example according to article 19 of cheque law, if a manager send out a cheque and a crime happens, then he/she would be punished criminally, but managers and director of firm both are responsible in civil terms.

In case of crimes in which judicial authority cannot assign the crime to a specific legal person such as managers and staff (i.e. environmental pollution), it is possible to punish legal person through financial penalty. There is not a clear and coherent opinion between judges and lawyers about imposing criminal penalties on legal person; of course, this weakness is removed by new Islamic penal code.

Article 2 of financial penalties indicates that: 'anybody who is condemned to pay a property to another, the court obliges him/her for payment, and also seizes his/her properties if there is any accessible; otherwise, court votes for imprisonment due to demand of complainant until time of payment. Also judges apply this juridical decree sometimes for legal persons and in some condition for natural persons.

Article 140 of this bill clarifies that: 'criminal liability is personal'.

1. This article has no background in previous laws, perhaps because of its clarity expressed in the text of law.
2. The principle of criminal liability being personal is not differentiated from principle of penalties being personal. Some jurists differentiated between these two principles; they believe that the difference is observed in criminal liability caused by another's action. According to principle of penalty being personal, perpetrator must tolerate punishment to compensate his/her fault; but sometimes legislator violates this principle and puts punishment on shoulder of another person. In fact, though they are not responsible for the crime but they present in the court; so they must be personally condemned for a crime that apparently had no physical intervention in it. The principle of criminal liability being personal is one of the principles dominating on trial; according to this principle, individuals will be punished for the fault committed. In article 140, however, it was better to address personality being personal instead of being individual.

#### **Principle of lack of responsibility**

This principle is about legal liability of managers, since they perform as representatives of a legal person; the benefit or loss of a representative refers to him/herself unless the manager commits a crime which is responsible for. Here, similar to article 19 of cheque law if cheque is issued on behalf of account holder including a legal or natural person, then cheque drawer and sign holder both are responsible to pay for that, and the ruling is issued against both of them based on guarantee. In addition, the person who signs the cheque will have criminal liability unless he/she proves that not paying the cheque refers to account holder or his/her next representative; in this case, the person who caused non-payment will be responsible in criminal terms.

Generally, if fault is not on behalf of manager of firm it is believed that results applied by managers whether positive or negative refers to legal person him/herself, and not his/her legal representatives. Also fault of manager must be proved, especially according to reformed section of articles 243-269 about corporations. For example, the criminal liability mentioned in business law of corporations does not extend to managers with non-joint stock companies Ltd. Alike natural person, firms as a legal person have civil liability, but part of criminal liabilities could be appointed to the firm such as selling products with higher prices or selling illicit products; but forging, misuse of cheque and /or addiction will not be truthful about legal persons.

Regulations -in level of Iran and/or globally- are putting forward to increase responsibility of legal persons, since legal persons have more power of activity than natural ones. Also rules are approved

based on current condition of the world in which legal person cannot be a cover for illegal activities of natural person. It is noteworthy that the problem is something beyond criminal and legal liability of firms' managers. It is true that rules are complete, but they must be implemented correctly till we would be able to move toward a proper legal system.

#### **Conclusions**

The theory of criminal liability of legal persons is accepted in some legal systems. It is also accepted by Iranian legislator due to benefits below:

1. Assuming legal personality capable of criminal liability causes legal persons or their stock holders to be careful in selecting representatives and managers and to control them preventing acts that have potential of disruption in economy of country.
2. As benefits obtained by a crime in a firm, institute, or community receive to all staff and organs, also its punishment must be for all, and not only some specific persons such as managers or board of directors; so if civil liability is applied for all of them, then accepting criminal liability would also be helpful. Of course as said before, this punishment include paying penalties, confiscation of properties, or temporary recession which has preventive effect.
3. To get free from problem of finding faulty legal person in setting of managers and staff: legal persons typically can hide real faulty person within themselves, especially when they are bigger with more bureaucracy; thus, it is somehow difficult to find real criminal among powerful legal persons. As a result, it is preferable to predict criminal liability for legal persons. On the other hand, judiciary can find main criminal without complicated and lengthy investigations.

In domestic laws, the principle is based on equality for all people against law and nobody is free from criminal prosecution (articles 19 and 20 of constitution).the reason of equality of rights for all is enjoying an absolute rule in similar cases.

Before Islamic revolution of Iran, there were also some rules approved such as 'bill related to formation of criminal court of public employees and prosecution of state officers in place of service' (1958 and reformed in 1979) and also some specific courts such as public criminal court to investigate crimes of government employees.

With approval of public and revolution courts (1979) and removal of public criminal court, the crimes of state employees were investigated in criminal courts of provinces till approval of reform in public and Islamic revolution courts (2002) that gave competency of investigation to Tehran criminal courts.

In legal system of Iran, there is no differential procedure predicted for public authorities. The process of investing crimes of public authorities is not different from crimes of other people (formation of public and Islamic revolution courts, 1999); generally, the public rules of criminal trial process (summons, investigating, supply session, sentencing, time lapse, appeal and ...) are also equal for public staff and authorities.

In law of Iran, the theory of criminal liability of legal persons was approved in 2013 due to Islamic penal code but it seems that we must consider this theory in our law because:

1. Assuming legal personality capable of criminal liability causes legal persons or their stock holders to be careful in selecting representatives and managers and to control them preventing acts that have potential of disruption in economy of country.
2. As benefits obtained by a crime in a firm, institute, or community receive to all staff and organs, also its punishment must be for all, and not only some specific persons such as managers or board of directors; so if civil liability is applied for all of them, then accepting criminal liability would also be helpful. Of course as said before, this punishment include paying penalties, confiscation of properties, or temporary recession which has preventive effect.

Legal doctrine not only realizes necessity of criminal liability of legal persons sooner than judicial process and regulator, but also affects them in this filed. Contrary to legal doctrine, the French legislator was not interested in accepting criminal liability for legal persons; finally French law accepted criminal liability of legal persons due to article 121-2 of modern criminal law. On one hand, it is based on criminal liability of legal persons and on the other hand, it is limited items predicted in law and regulation; but again with emphasize of lawyers, French legislator removed the term 'items predicted by law or regulation' from article 121-2 due to adjustment performed in March 2, 2004 and considered legal persons alike natural ones.

But judicial process confronts with several problems, since it covers criminal liability of legal persons in a vast territory; a territory that judicial process has no experience about it. Today, legal doctrine tries to help judicial process with proper strategies.

We can consider criminal liability as the best guarantee for managers and staff of gas companies performing their tasks. This type of liability is of business law frameworks which differentiated it from civil law fundamentally. On the other hand, development in commercial activity of legal persons indicates necessity of such a liability for authorities and their representatives simultaneously.

#### Suggestions

1. Since 'criminal procedure bill' is not approved yet, government can include its clear suggestions in relation to process of investigating crimes committed by public authorities.
2. In article 140, it was better to address liability being individual instead of being personal, unless we perceive these two equal to each other against lack of responsibility of animals; though this treatment seems unlikely. Meanwhile, next article refers to responsibility caused by act of another person that strengthen first assumption; i.e. legislator wanted to express criminal liability being individual, not to differentiate human responsibility against animals.

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